

IC 36-12-8

Chapter 8. Library Services Authorities

IC 36-12-8-1

Application and purpose of chapter

Sec. 1. (a) This chapter applies to the following:

- (1) All public libraries.
- (2) All other libraries that are supported by public funds but that are not organized under this article.
- (3) All private corporations or organizations that provide library services.
- (4) All library service authorities established under this chapter.

(b) The purpose of this chapter is to:

- (1) encourage the development of all types of library services; and
- (2) promote the efficient use of finances, personnel, materials, and property;

by enabling qualified entities to form library services authorities that will provide such services and facilities as the qualified entities determine.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-2

"Library facilities"

Sec. 2. As used in this chapter, "library facilities" means:

- (1) buildings, bookmobiles, rooms, or other definable and palpable structures or areas; and
- (2) the library materials and equipment contained in the buildings, bookmobiles, rooms, or other definable and palpable structures or areas;

that are used in the operation or provision of library services.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-3

"Library services"

Sec. 3. As used in this chapter, "library services" means the activities in which libraries engage:

- (1) in the planning, management, budgeting, financing, purchasing, staffing, and evaluation of the libraries;
- (2) in the selection, acquisition, processing, and maintenance of the collections of materials and the related bibliographic records; and
- (3) in the promotion, interpretation, servicing, and use of the library materials and facilities.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-4

"Qualified entities"

Sec. 4. As used in this chapter, "qualified entities" include the following:

- (1) A public library.
- (2) A library that is supported by public funds but not established under this article.
- (3) A private corporation or organization that provides library services.
- (4) A library service authority established under this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-5

Authorization to initiate library services authority; adoption of joint agreement; requirements

Sec. 5. (a) Two (2) or more qualified entities, less than one-half (1/2) of which may be private corporations or organizations, may initiate a library services authority under this chapter by adopting a written joint agreement. The body or officer having the authority to sign contracts on behalf of a corporation or an organization may sign the joint agreement on behalf of the corporation or organization.

(b) The joint agreement must include the following details of the proposed library services authority:

- (1) The name, to be given as _____ Library Services Authority.
- (2) The official address and county of location of the principal place of business.
- (3) A description of the library facilities to be operated and the library services to be provided.
- (4) Specification of the place and of the convening chairperson who shall set the date and the time of the organizational meeting of the board of directors established under this chapter and who shall serve as temporary chairperson.
- (5) The names of the qualified entities signing the agreement, which are to become participants in the library services authority.
- (6) The date of the agreement.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-6

Approval of joint agreement by attorney general; procedure

Sec. 6. (a) Upon the adoption of the joint agreement calling for the establishment of the library services authority by two (2) or more of the qualified entities, the agreement shall be submitted to the attorney general, who shall determine whether the agreement is:

- (1) in proper form; and
- (2) compatible with Indiana law.

The attorney general shall approve each agreement submitted unless the attorney general finds that the agreement is not legal. If the attorney general finds that an agreement is not legal, the attorney general shall detail in writing, addressed to each of the qualified entities adopting the agreement for the establishment of the library services authority, the specific respects in which the proposed agreement fails to meet the requirements of law. Failure to

disapprove an agreement submitted under this chapter not more than thirty (30) days after the submission of the agreement constitutes approval of the agreement.

(b) The library services authority initiated by the joint agreement is legally established when the attorney general has approved the agreement either by:

(1) specific written approval; or

(2) the failure to indicate disapproval within the required time.

The qualified entities originally signing the agreement are members of the library services authority. A copy of the agreement and originally signed copies of the adopted resolutions, ordinances, orders, statements of participation, or other recorded acts must be filed with the Indiana state library not more than forty (40) days after the date of the submission of the agreement to the attorney general for action.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-7

Procedure for change of joint agreement

Sec. 7. The board of directors of the library services authority may change any detail of the joint agreement under this section upon the recommendation of the executive committee or petition of three (3) directors if notice of the proposed change is sent to each qualified entity that is a participant in the library services authority at least sixty (60) days before the meeting at which the change is to be considered. However, the application of a new qualified entity may be considered at any time. Upon approval of the change of the joint agreement, a notice of the action taken by the board of the library services authority must be filed with the Indiana state library.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-8

Participation by new qualified entities; procedure

Sec. 8. (a) After the legal establishment of the library services authority under this chapter, a qualified entity may become a participant in the library services authority after:

(1) adoption by resolution, ordinance, order, statement of participation, or other recorded act of the joint agreement as then in force;

(2) providing for the qualified entity's pro rata share, if any, of the library services authority's budget for the fiscal year in which the applicant wishes to join the authority;

(3) meeting all conditions provided in the bylaws or in the rules; and

(4) approval by a majority of the board of directors.

(b) If the qualified entity is a private corporation or organization and the qualified entity's participation would create the same number or more private participants than other participants in the library services authority, the qualified entity's participation does not take effect until there are sufficient other participants, after the admission

of the applicant, to comply with section 5(a) of this chapter.

(c) The library services authority shall file with the Indiana state library an originally signed copy of the joint agreement and adopting action.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-9

Procedure and requirements for withdrawal from or dissolution of library services authority

Sec. 9. (a) A qualified entity that is a participant in the library services authority may withdraw from the authority by a recorded act of the qualified entity:

- (1) after the qualified entity has made provisions for the payment and performance of the qualified entity's obligations; and
- (2) upon notification to the library services authority, six (6) months before the end of the fiscal year in which the qualified entity is participating in the library services authority, that the qualified entity is discontinuing the qualified entity's participation in the library services authority.

(b) Upon discontinuing participation in the library services authority, the discontinuing qualified entity relinquishes the qualified entity's rights to any funds, supplies, materials, equipment, or other real or personal property held by or belonging to the authority and in which the qualified entity had a right by virtue of the qualified entity's participation, unless provision to the contrary is made by the official action of the board of directors.

(c) Upon the receipt of notification to discontinue participation and the satisfaction of all obligations by the withdrawing participant, the board of directors shall officially note the withdrawal and shall file notice of the resulting change in the joint agreement:

- (1) in the office of the recorder of the county in which the authority's principal place of business is located; and
- (2) with the Indiana state library.

(d) The library services authority is dissolved when:

- (1) the board of directors of the authority votes to dissolve the library services authority;
- (2) the action is de facto by the notice of discontinuance of participation by the next to last remaining participant; or
- (3) there is an excessive number of private qualified entities participating in the authority.

Upon the occurrence of any of the conditions listed in this subsection, the board of directors shall dispose of the assets by division among the participants at the time of dissolution and in the proportion and in the manner determined by the board of directors.

(e) A dissolution does not take effect until all legal and fiscal obligations of the library services authority have been satisfied and an official record of the dissolution is filed in the office of the recorder of the county in which the authority's principal place of business is located. Until the satisfaction of obligations has occurred

and the record of dissolution has been filed, the final members of the authority continue to be members.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-10

Board of directors; appointment

Sec. 10. (a) Not later than ten (10) days after the legal establishment of the library services authority, each qualified entity that is participating shall appoint a representative or representatives to the board of directors of the library services authority as follows:

(1) If there are fewer than four (4) participants in the library services authority, each qualified entity shall appoint four (4) directors to the board of directors.

(2) If there are more than three (3) but fewer than ten (10) participants in the library services authority, each qualified entity shall appoint two (2) directors.

(3) If there are ten (10) or more participants in the library services authority, each qualified entity shall appoint one (1) director.

(b) A director may be a member of the governing body of the qualified entity, a librarian, or any other person who in the opinion of the qualified entity will best serve the library interests of the qualified entity.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-11

Board of directors; terms

Sec. 11. (a) Upon the expiration of the ten (10) day period prescribed by section 10 of this chapter, the directors who have been appointed shall meet as specified in the joint agreement and determine by lot, in as nearly equal groups as possible, as follows:

(1) The one-third (1/3) of the directors who have an initial term of one (1) year.

(2) The one-third (1/3) of the directors who have an initial term of two (2) years.

(3) The one-third (1/3) of the directors who have an initial term of three (3) years.

(b) The determination under subsection (a) is for the initial terms of office for all directors. After the initial terms end, all appointments to the board of directors are for three (3) years. Appointments to fill vacancies are for the unexpired term only.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-12

Board of directors; executive committee; treasurer and assistant treasurer; surety bond

Sec. 12. (a) Upon the determination of the initial terms of office of the directors, an executive committee shall be elected for a term of one (1) year from the membership of the board of directors by vote on nominations from the floor. The executive committee

consists of:

- (1) a president;
- (2) a vice president;
- (3) a secretary;
- (4) a treasurer; and
- (5) if the total number of directors for the library services authority exceeds eight (8), three (3) members at large.

The named offices have the duties and powers normally incumbent upon the offices.

(b) A director may not serve on the executive committee for more than four (4) consecutive years or in the same office for more than two (2) consecutive years. Executive committee elections shall be held annually in the manner prescribed by the bylaws of the library services authority.

(c) The treasurer:

- (1) is the official custodian of all library services authority funds;
- (2) is responsible for the proper safeguarding and accounting for all library services authority funds;
- (3) shall issue warrants approved by the executive committee or the board in payment of expenses lawfully incurred in behalf of the library services authority; and
- (4) shall make financial reports of library services authority funds and present the reports to the executive committee or board of directors as requested by the executive committee or board.

(d) The board of directors may prescribe the powers and duties of the treasurer consistent with this chapter.

(e) The treasurer shall give a surety bond for the faithful performance of the treasurer's duties and for the accurate accounting of all money coming into the treasurer's custody. The bond must be:

- (1) written by an insurance company licensed to do business in Indiana;
- (2) for the term of office of the treasurer;
- (3) in an amount determined by the board of directors;
- (4) paid for with money from library services authority funds;
- (5) payable to the state;
- (6) approved by the board of directors; and
- (7) deposited in the office of the recorder of the county in which the library services authority is located.

(f) The executive committee, with the approval of the board of directors, may appoint a person, who may be an employee of the library services authority, to serve as assistant treasurer. The assistant treasurer:

- (1) has the duties specified by the executive committee or the board;
- (2) may be compensated for the performance of the treasurer's duties; and
- (3) may be removed by the executive committee or the board of directors at any meeting of the committee or board by a

majority vote of the entire membership of the body.
As added by P.L.1-2005, SEC.49.

IC 36-12-8-13

Board of directors; appointments by new participants

Sec. 13. (a) Not later than ten (10) days after the approval of a new participant under section 8 of this chapter, the new participant shall appoint as many directors as each of the other participants has appointed. The initial terms of the new directors shall be determined by the executive committee so that, as nearly as possible, the terms of one-third (1/3) of the total board of directors end each year.

(b) If the addition of a new participant increases the number of participants in the library services authority so that each participant would appoint fewer representatives to the board of directors, the board of directors shall be reestablished in the manner prescribed by section 10 of this chapter.

(c) Immediately after the organizational meeting of the board of directors, the board shall adopt bylaws providing for the board's procedures and management.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-14

Board of directors; executive committee; powers and duties; meetings

Sec. 14. (a) The board of directors of the library services authority:

- (1) shall nominate and elect the board of directors' officers and participants of the executive committee;
- (2) shall adopt bylaws, administrative procedures, and rules for the conduct of business of the board, the executive committee, and the library services authority;
- (3) shall adopt a fiscal year;
- (4) may change the address of the principal place of business of the authority;
- (5) may consider and act upon recommendations of the executive committee in the matters specified in this section;
- (6) may adopt rules governing the termination of directors for cause; and
- (7) may deal with other appropriate matters.

(b) The board of directors shall meet at least annually. Special meetings may be called by the president or any three (3) directors. A quorum of appointed members of the board is required for the transaction of business. A concurrence of two-thirds (2/3) of the directors present is necessary to approve or to authorize any action. A director may designate an individual to vote as proxy for that director if written authorization is delivered to the secretary of the executive committee before a board of directors meeting. If a director votes by means of a proxy, the director shall be considered present at the meeting of the board of directors for purposes of constituting a quorum under this subsection and section 8 of this chapter.

(c) The executive committee of the library services authority shall manage and conduct the business of the library services authority. However, unless otherwise properly delegated to the executive committee or administrative personnel in the bylaws, the board of directors must approve:

- (1) amendments to the joint agreement;
- (2) the budget;
- (3) statements of policy;
- (4) rules;
- (5) the development program and plans;
- (6) the appointment of or arrangement for the chief administrative officer;
- (7) legal matters;
- (8) purchases of property and equipment in accordance with IC 5-22;
- (9) contracts for the purchase of services, materials, equipment, and other real or personal property;
- (10) sales of services or material other than sales of services for which the library services authority was created; and
- (11) the acceptance or release of participants in the authority and related matters.

(d) In the discharge of the executive committee's duties, the executive committee shall meet at least quarterly. Special meetings may be called by the president or any two (2) participants of the executive committee. A majority of the committee participants constitutes a quorum for the transaction of business, and a concurrence of a majority of the participants of the executive committee is necessary to authorize any action.

(e) Except for the election of officers and adoption or amendment of the bylaws, the bylaws may provide that any action required or permitted to be taken at any meeting of the board of directors may be taken without a meeting if before the action a written consent to the action is signed by a majority of the board of directors appointed under section 10 of this chapter.

As added by P.L.1-2005, SEC.49.

IC 36-12-8-15

Board of directors; quorum

Sec. 15. For purposes of this chapter, a quorum consists of:

- (1) a majority of the appointed members of the board of directors when there are one hundred (100) or fewer participants in the library services authority; or
- (2) fifty-one (51) appointed members of the board of directors when there are more than one hundred (100) participants in the library services authority.

As added by P.L.1-2005, SEC.49.